Thank you for your cooperation and continued support of the Universal Service Program.

Jennifer Cerciello Manager – Special Compliance Review USAC, Schools and Libraries Division

Phone: 973.581.6747 Fax: 973.599.6552

E-mail: <u>icercie@sl.universalservice.org</u>

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I certify that I am authorized to make the representations set forth in the responses to the Special Compliance Review inquiry on behalf of <b>Achieve Telecom Network of MA, LLC</b> , the service provider represented on and responding to the Special Compliance Review inquiry, and am the most knowledgeable person with regard to the information set forth therein. I certify that the responses and supporting documentation to the Special Compliance Review inquiry are true and correct to the best of my knowledge, information and belief. I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I acknowledge that false statements can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.  I declare under penalty of perjury that the foregoing is true and correct. Executed on day of [city], [state].			
Signature		Date	
Print Name	Title		
Employer			
Telephone Number	Fax Number		
Email Address			
Address			



June 27, 2005

Thomas Kingston Superintendent of Schools Chelsea Public Schools City Hall – 500 Broadway Chelsea, MA 02150

Dear Superintendent Kingston:

The United States Distance Learning Association (USDLA) is pleased to receive and accept your grant application for funding assistance for the Chelsea Public Schools District Digital Divide Project. We appreciate the opportunity to assist your Chelsea Public Schools District with this very important and ambitious distance learning project. USDLA is a registered 501 (c) 3, and we provide these grants to support distance learning projects for K-12 school districts.

One goal of USDLA focuses on ending the "digital divide" in urban and rural America by supporting the implementation of state-of-the-art technology which encourages and enhances the classroom learning experience with advanced technical resources. Your project represents that specific goal and we welcome the opportunity to build this very important partnership with the Chelsea Public Schools District.

We understand that the project will be funded primarily by E-rate funds from the Schools and Libraries Division (SLD) of the Universal Service Administrative Company and will be dependent upon the approval of the SLD. While you may have been referred to USDLA by a vendor for this project, please understand that our grant is to your school district and is not dependent upon your selection of any specific vendor.

USDLA requires that a final budget be submitted by each school district upon receipt of the Funding Commitment. Letter from the SLD. This budget must confirm the E-rate discount percentage and the resultant E-rate cost share for the project. In addition, USDLA expects that a separate line item in the school district budget will be established that is specifically for the receipt of USDLA grant funds for this project. Please communicate the account number and directions for sending the grant money to this account.

Congratulations! We look forward to working with the Chelsea Public Schools District. Please do not hesitate to contact me directly if you have any questions.

Sincerely,

John G. Flores, Ph.D. Executive Director iflores@usdla.org

> 8 Winter Street, Suite 508 - Boston, MA 02108-4705 Telephone: 800.275.5162 Fax: 617.399.1771 Website: www.usdla.org



February 4, 2004

Joseph Mastrocola
Coordinator Instructional Technology
Somerville Public Schools
District Office of Instructional Technology
5 Cherry Street
Somerville, MA 02145

Dear Mr. Mastrocola:

The United States Distance Learning Association (USDLA) is pleased to receive and accept your grant application for funding assistance for the Somerville Public Schools / Achieve Xpress Somerville Bridging the Digital Divide Project. We appreciate the opportunity to assist the Somerville Public Schools with this very important and ambitious distance learning project. USDLA is a registered 501 (c) 3, and we provide these grants to support distance learning projects for K-12 school districts.

One goal of USDLA focuses on ending the "digital divide" in urban and rural America by supporting the implementation of state-of-the-art technology which encourages and enhances the classroom learning expanience with advanced technical resources. Your project represents that specific goal and we welcome the opportunity to build this very important partnership with Somerville Public Schools.

We understand that the project will be funded primarily by E-rate funds from the Schools and Libraries Division (SLD) of the Universal Service Administrative Company and will be dependent upon the approval of the SLD. While you may have been referred to USDLA by a vendor for this project, please understand that our grant is to your school district and is not dependent upon your selection of any specific vendor.

USDLA requires that a final budget be submitted by each school district upon receipt of the Funding Commitment Letter from the SLD. This budget must confirm the E-rate discount percentage and the resultant E-rate cost share for the project. In addition, USDLA expects that a separate line item in the school district budget will be established that is specifically for the receipt of USDLA grant funds for this project. Please communicate the account number and directions for sending the grant money to this account.

We look forward to working with the Somerville Public Schools. Please do not hesitate to contact me directly if you have any questions.

Sincerely.

John G. Flores, Ph.D. Executive Director iffores@usdia.org

8 Winter Street, Suite 508 - Boston, MA 02108-4705 Telephone: 800,275,5162 Fax: 617.399.1771 Website: www.usdla.org



June 27, 2005

Dr. Joseph P. Burke, Superintendent of Schools Springfield Public Schools Central Office – P. O. Box 1410 195 State Street Springfield, MA 01102-1410

Dear Dr. Burke:

The United States Distance Learning Association (USDLA) is pleased to receive and accept your grant application for funding assistance for the Springfield Public Schools District Digital Divide Project. We appreciate the opportunity to assist your Springfield Schools District with this very important and ambitious distance learning project. USDLA is a registered 501 (c) 3, and we provide these grants to support distance learning projects for K-12 school districts.

One goal of USDLA focuses on ending the "digital divide" in urban and rural America by supporting the implementation of state-of-the-art technology which encourages and enhances the classroom learning experience with advanced technical resources. Your project represents that specific goal and we welcome the opportunity to build this very important partnership with Springfield Public Schools District.

We understand that the project will be funded primarily by E-rate funds from the Schools and Libraries Division (SLD) of the Universal Service Administrative Company and will be dependent upon the approval of the SLD. While you may have been referred to USDLA by a vendor for this project, please understand that our grant is to your school district and is not dependent upon your selection of any specific vendor.

USDLA requires that a final budget be submitted by each school district upon receipt of the Funding Commitment Letter from the SLD. This budget must confirm the E-rate discount percentage and the resultant E-rate cost share for the project. In addition, USDLA expects that a separate line item in the school district budget will be established that is specifically for the receipt of USDLA grant funds for this project. Please communicate the account number and directions for sending the grant money to this account.

Congratulations! We look forward to working with the Springfield Public Schools District. Please do not hesitate to contact me directly if you have any questions.

Sincerely,

John G. Flores, Ph.D. Executive Director

.jffores@usdla.org

8 Winter Street, Suite 508 - Boston, MA 02108-4705 Telephone: 800.275.5162 Fax: 617.399.1771

Website: www.usdla.org



#### **USDLA MISSION**

"USDLA serves the needs of the distance learning community by providing advocacy, information, networking and opportunity."

#### FY04 Report

This past fiscal year, USDLA found itself continuing to positively grow in image, visibility and national reputation. Concurrently, we also found ourselves facing the traditional challenges of budget, member services and new initiatives.

Throughout FY04, the USDLA Strategic Planning Process was in high gear and all committees worked collectively in the implementation and fulfillment of goals established at the October 2003 meeting in Boston. My gratitude goes out to the Board of Directors for their hard work and perseverance.

At the end of every fiscal year, I ask myself how have we done? What have been the success stories? Where could we have done better? How do we continue to improve the USDLA?

Regarding success, I believe that when we judged ourselves against a variety of metrics, we did quite well. Budget was under control. We spent only what we could afford. Espirit de corps of staff was terrific with everyone going well beyond the expected. And that includes the Board of Directors too. New initiatives which included new partnerships, sponsors, printed journals, conferences, and overall reputation continued to move forward. We have created an assertive environment which has resulted in positive growth and energy.

As I presented at various Board meetings, reports recently made available from research companies, suggested that distance learning programs, companies and other like entities have grown at an annual rate of 25% plus over the past few years. This is phenomenal in a time of economic downturn. As a matter of fact, most stock analysts recommended the distance learning arena as one of the few areas to be in a steady growth mode. This is terrific news but also highlights the dilemma of how to get schools and companies to become members of USDLA. This is an area that needs more focus from all of us.

As expected, revenue was my number one priority followed by member benefits and services. In closing as always the Associations future growth and existence is depended upon sound business practice, membership services and taking advantage of new opportunities. Towards that end, the following list of accomplishments for FY04 highlight the continued fulfillment of USDLA's goals.

Budget: FY04 - Completed year with positive cash flow with all expenses paid and up-to-date.

**Membership:** Continued recruitment and maintenance of premium sponsorships, corporate sponsors, forprofit and non-profit organizations and individual memberships.

**State Chapter:** Continued progress on various new policies regarding membership, dues, legal and partnership issues. Continued monthly audio conference calls with chapters. Steady development and increase with national leadership and support.

Board of Directors and Executive Committee: Strong USDLA Board leadership and commitment has

Annual Report Page 2 of 4

resulted in quality services to members at all levels. Strategic planning, Bylaw revision and corporate contacts have steadily grown.

**Partnerships:** Have created numerous partnerships for the association, which have increased benefits and level of membership services. e.g. journal, conference discounts and networking opportunities.

**Program Accreditation:** Developed accreditation service of distance learning program business opportunity through transfer of Global Alliance for Transnational Education (GATE) assets and transition contribution to USDLA. Renamed service Distance Learning Accreditation Bureau (DLAB) with current launch date.

Conferences: Continued to pursue new partnerships and venues.

Training 2004 Conference & Expo, Atlanta, GA, March 1 - 3, 2004

Nova Southeastern University, Fischler Graduate School of Education, Orlando, FL July 25 – 30, 2004

International Forum for Women in e-learning, Phoenix, AZ September 13 - 15, 2004

**Website:** Continued redesign of website, with new service, commerce opportunities and products provided by sponsors of the Association.

**Policy Issues:** Continued work with USDLA Board to increase influence on distance learning initiatives sponsored by the federal government.

Strategic Planning Committee: Involved in all aspects of goals with subcommittee chairs:

Awards
Bylaws
Chapters
Conferences
Distance Learning Accreditation Bureau
Membership
Publications
Public Awareness
Public Policy
Sponsorship / Revenue
Strategic Alliance

#### NSU:

- A. Created and maintained office sharing rental and personnel costs for National Headquarter office in Boston
- B. Created and maintained publication editorial services
- C. Created conference partnerships
- D. Created and maintained printing and publication services for USDLA brochures and marketing materials

**Newsweek Magazine:** Developed marketing and editorial services for all distance learning showcase publications.

**Public Relations:** Continued to speak at numerous conferences highlighting USDLA as a premier association for the distance learning industry.

Educating Everyone: Continued to administrate Dish Network channel 9413 with 24X7 programming and

all ancillary services.

**Grants:** Formed partnership with Achieve Telecom to assist in pursuit of E-Rate K-12 monetary allocation with various technology companies.

**Revenue Sources:** The majority of all revenue sources for USDLA are the direct result of initiatives and relationships within the distance learning industry. Below is a list of examples:

#### Premium Sponsorships:

BAF Satellite and Technology Corporation Educating Everyone Education Service Center, Region 20 Eduventures Jones International University Knowledge Ventures The Learning House, Inc. Miranda Media Networks Polycom, Inc. Tandberg, L.L.C. Vista Satellite Communications, Inc.

#### **NSU Partnerships:**

Rental Reimbursement Services Reimbursement Journal

#### For-Profit Membership

#### Non-Profit Membership

• DLLP Program

#### Pro Bono Services

- Legal
- Press / PR

#### **Book Orders**

In summary, fiscal year 2004 has been a year of major accomplishment. USDLA finished the year on schedule and on task with enthusiasm and excitement. As we enter into our 18th year, our management, member services and steady direction will serve us well as we move forward into fiscal year 2005.

Our mission will remain focused in the support for development and application of distance learning using various technologies, delivery methods and application. Our goals will remain targeted by providing national leadership in the field of distance learning, advocating and promoting the use of distance learning, providing current information on distance learning, representing the distance learning community before government policy and regulatory bodies, and serving and supporting the state, consortium and individual organizations that belong to USDLA. Finally, USDLA will continue to pursue a global leadership role through liaisons with international organizations, promote equality and access to life long learning through distance learning and promote diversity among our organization and its programs.

Respectfully submitted,

John G. Flores, Ph.D. Executive Director



#### L'SDLA MISSION

"USDLA serves the needs of the distance learning community by providing advocacy, information, networking and opportunity."

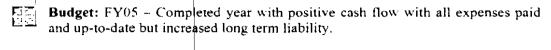
#### **FY05 Report**

This past fiscal year, USDLA found itself continuing to positively grow in image, visibility and national reputation. Concurrently, we also found ourselves facing the traditional challenges of budget member services and new initiatives. Throughout FY05, the USDLA Strategic Planning Process remained focused and all committees worked collectively on the implementation and fulfillment of goals established by the Board of Directors. My gratitude goes out to the Board members for their hard work and perseverance.

As you know at the end of every fiscal year, I ask myself how have we done? What have been the success stories? Where could we have done better? How do we continue to improve the USDLA? Regarding success. I believe when judged against the unexpected situations National faced, USDLA completed FY05 in an overall encouraging and performance results driven status.

Concerning budget issues, although daunting at various stages we managed to close FY05 with a better than expected reduction between revenues and expenses. With an infusion of loan money from a variety of sources USDLA completed FY05 with liability but also with a projection for a strong FY06 revenue resurgence. As reported at the FY05 Fall Board of Directors meeting, the loss of revenue from our DBS network channel due to contract cancellation created an unexpected situation which at times became critical. Nonetheless with the internal support of National Staff and a committed Board of Directors we took the necessary steps to ensure continued positive growth and existence.

Throughout FY05 revenue has continued to be our number one priority followed by member benefits and services. As we bring Fiscal Year 05 to an end on June 30 and begin Fiscal Year 06 on July 1, my level of optimism remains steady. We have a strong team at the National office and I am confident that FY06 will yield positive results as we move forward. In closing as always the Association's future growth and existence is dependent upon sound business practice, membership services and taking advantage of new opportunities. Towards that end, the following list of accomplishments for FY05 highlight the continued fulfillment of USDLA's goals.



- **Digital Divide Fund:** Created Digital Divide Fund to solicit monetary support for K 12 distance learning network projects
- Membership: Continued recruitment and maintenance of premium sponsorships, corporate sponsors, for-profit and non-profit organizations and individual memberships.
- State Chapter: Continued progress on various new policies regarding membership, dues, legal and partnership issues. Continued monthly audio conference calls with chapters. Steady development and increase with national leadership and support.
- Board of Directors and Executive Committee: Strong USDLA Board leadership and commitment has resulted in quality services to members at all levels. Strategic planning, Bylaw revision and corporate contacts have steadily grown.
- Partnerships: Have created numerous partnerships for the association, which have increased benefits and level of membership services. e.g. journal, conference discounts and networking opportunities.
- Conferences: USDLA sponsored partnerships

July 25 – 29, 2004 NSU Fischler School of Education Global Leadership Conference Orlando, Florida

September 13 - September 15, 2004
The International Forum For Women in E-Learning (IFWE)
Pointe South Mountain Resort
Phoenix, Arizona

October 11 – 14, 2004
VNU Training and Online Learning
Moscone West Convention Center
San Francisco, CA

December 6 - 9, 2004 2004 Education Industry Finance and Investment Summit Washington, DC

January 25, 2005 Sloan Corporate-University Online Learning Conference New York City. NY February 28 – March 2, 2005 VNU Training 2005 Conference & Expo Ernest Morial Convention Center New Orleans, LA

10 d 10 d	Website: Continued redesign of website, with new service, commerce opportunities and products provided by sponsors of the Association.
	Policy Issues: Continued work with USDLA Board to increase influence on distance learning initiatives sponsored by the federal government.
	Strategic Planning Committee: Involved in all aspects of goals with subcommittee chairs:
	Awards Bylaws Chapters Conferences Distance Learning Accreditation Bureau Membership Publications Public Awareness Public Policy Sponsorship Revenue Strategic Alliance
	NSU:  A. Continued major sponsorship relationship
	B. Continued and maintained publication editorial services
İ	C. Continued conference partnerships
150 150 150	Public Relations: Spoke at numerous conferences highlighting USDLA as a premier association for the distance learning industry.
	Grants: Have successfully completed grant applications with Verizon, SBC and others.
지다. [25]	Revenue Sources: Revenue sources for USDLA are the direct result of my initiatives and relationships within the distance learning industry, across our varied constituencies with the support of our national office team.

In summary, fiscal year 2005 has been a year of major challenge and accomplishment. USDLA finished the year on schedule and on task with enthusiasm and excitement. As we begin our 19<sup>th</sup> year, our management, member services and sleady direction will serve us well as we move forward into fiscal year 2006.

Our mission will remain focused in the support for development and application of distance learning using various technologies, delivery methods and application. Our goals will remain targeted by providing national leadership in the field of distance learning, advocating and promoting the use of distance learning, providing current information on distance learning, representing the distance learning community before government policy and regulatory bodies, and serving and supporting the state, consortium and individual organizations that belong to USDLA. Finally, USDLA will continue to pursue a global leadership role through liaisons with international organizations, promote equality and access to life long learning through distance learning and promote diversity among our organization and its programs.

Respectfully submitted.

John G. Flores, Ph.D. Chief Executive Officer



### Notification of Commitment Adjustment Letter Funding Year 2004: 7/01/2004 - 6/30/2005

September 8, 2008

ROBERT G HAMEL SPRINGFIELD PUBLIC SCHOOLS 195 STATE STREET SPRINGFIELD, MA 01102 1410

Re: Form 471 Application Number: 433768

Funding Year: 2004

Applicant's Form Identifier: 2004-10-01 Billed Entity Number: 120089

FCC Registration Number: 0011975380

SPIN Name: Achieve Telecom Network of MA, LLC

Service Provider Contact Person: Joy Jackson

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the adjustments to your funding commitment required by program rules, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the program rule violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of the Demand Payment Letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104 for more information regarding the consequences of not paying the debt in a timely manner.

#### TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

- 1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
- 2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Numbers you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number (FCC RN) from the top of your letter.
- 3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
- 4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

#### FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. Immediately preceding the Report, you will find a guide that defines each line of the Report.

The SLD is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on these Funding Request Numbers, a separate letter will be sent to the service provider detailing the necessary service provider action.

Please note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Please note the Funding Commitment Adjustment Explanation in the attached Report. It explains why the funding commitment is being reduced. Please ensure that any invoices that you or your service provider submit to USAC are consistent with program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division Universal Services Administrative Company

cc: Joy Jackson
Achieve Telecom Network of MA, LLC

#### A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

A report for each E-rate funding request from your application for which a commitment adjustment is required is attached to this letter. We are providing the following definitions for the items in that report.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a. This number will only be present for "site specific" FRNs.

ORIGINAL FUNDING COMMITMENT: This represents the original amount of funding that SLD had reserved to reimburse you for the approved discounts for this service for this funding year.

COMMITMENT ADJUSTMENT AMOUNT: This represents the amount of funding that SLD has rescinded because of program rule violations.

ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

FUNDS DISBURSED TO DATE: This represents the total funds that have been paid to the identified service provider for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM APPLICANT: This represents the amount of improperly disbursed funds to date as a result of rule violation(s) for which the applicant has been determined to be responsible. These improperly disbursed funds will have to be recovered from the applicant.

FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

### Funding Commitment Adjustment Report for Form 471 Application Number: 433768

Funding Request Number:

1207981

Services Ordered:

TELCOMM SERVICES

SPIN:

143026761

Service Provider Name:

Achieve Telecom Network of MA, LLC

Contract Number:

N/A

Billing Account Number:

N/A

Site Identifier:

120089

Original Funding Commitment:

\$6,063.00

Commitment Adjustment Amount:

\$6,063.00

Adjusted Funding Commitment:

\$0.00

Funds Disbursed to Date:

\$0.00

Funds to be Recovered from Applicant:

\$0.00

Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. The information obtained during the Special Compliance Review indicates that Achieve Telecom (Achieve) has a partnership with USDLA and solicits donations on behalf of USDLA. USDLA then provides grants to applicants to use to pay their non-discount share, which is specifically designated for Achieve funding requests. Achieve's bids to applicants indicate that Achieve markets their service to applicants as a no cost service because Achieve is able to guarantee applicants that they will receive USDLA grants to pay their share for the Achieve funding requests. Achieve is therefore providing applicants with a rebate for the applicant's portion of the cost. Applicants are required to conduct a fair and open competitive bidding process and to pay the non-discount share of the cost of the products and services. It is a violation of program rules for the service provider to waive the applicant's non-discount portion or otherwise not require payment. The applicant's share cannot come directly or indirectly from the applicant's service provider. Applicants may not receive rebates for services or products purchased with universal service discounts from the service provider providing the services. The information obtained shows that Achieve guarantees that the applicants will receive a grant from the USDLA to use to pay the applicant's share for the Achieve funding requests. Because Achieve is able to guarantee this grant, Achieve is providing the applicants with a rebate of the applicant's share of the cost of the services in violation of program rules. Furthermore, Achieve has an unfair competitive advantage based on violating the rule that applicants not receive rebates for services or products purchased with universal service discounts from the service provider providing the services. Both the applicant and the service provider are responsible for these rule violations because the applicant was unable to conduct a fair and open competitive bidding process based on Achieve's no-cost guarantee, and Achieve had an unfair competitive advantage because Achieve guaranteed a no-cost service in violation of the rule that the service provider not provide a rebate to the applicant. USAC has determined that both the applicant and the service provider are responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from both the applicant and the service provider.



#### <u>AFFIDAVIT</u>

1. My name is Anne Thompson.

FROM:

- 2. Presently, I am employed by Trinity Catholic Academy Brockton in the position of Technology Consultant.
- 3. From January of 1997 through January of 2007, I held the position of Technology Coordinator/director for the Brockton Public School District.
- My responsibilities as Tech Director included the oversight of the process for preparing, submitting and processing applications for financial support from the Schools and Libraries Support Mechanism ("F-Rate Program") administered by the Universal Service Administrative Company ("USAC"). In doing so I worked with an E-Rate Program consultant engaged by the District to help ensure that the District was in compliance with the rules and regulations that govern the E-Rate Program.
- 5. Consistent with my responsibilities, I participated in the District's application process for E-Rate Program support for Funding Year 2007-2008 relating to No.560310000617305 FCC Form 470 Application for certain cligible telecommunications services ("Application"). Part of that participation included meeting, after the required posting of the Application with USAC, with representatives of Achieve Telecom Network of Massachusetts, LLC ("Achieve") to receive a presentation about Achieve's digital transmission services. I also reviewed a written proposal submitted by Achieve in response to the Application. To my knowledge, Achieve was the only company to respond to our request for proposals for these services.
- 6. At all times we took necessary steps to comply, and I believe did comply, with all E-Rate Program rules and with any applicable state and local procurement rules.

I believe that we took all necessary steps to ensure that we conducted a fair and honest competitive bidding process. Achieve was an E-Rate approved provider of such services and was also approved by the Commonwealth of Massachusetts as a provider of such services.

- 7. At no time during any of my interactions with Achieve or any of its representatives was I ever informed of, made aware of, or otherwise led to believe or suspect that Achieve had any partnership or affiliation with United States Distance Learning Association ("USDLA"). In fact, even as of this date I am unaware of any partnership of affiliation between Achieve and USDLA except to the extent that I have been made aware that the same has been alleged by USAC in a Notification of Commitment Adjustment Letter.
- 8. Achieve did inform the District of the opportunity to apply for a grant from USDLA to cover the District's share of the cost of the services ("District Share") covered by the Application. Achieve also generally noted that there were other potential sources of such grants.
- 9. Achieve never represented, either orally or in writing in any way that it was offering a service that would be of "no cost" to the District. Achieve never represented, either orally or in writing, that if the District selected Achieve as its service provider and applied for a grant from USLDA that approval of the grant by USDLA was guaranteed. Achieve did not present an automatic Grant from USLDA as part of the Achieve service proposal made to the District.

Nov. 06 2008 01:41PM P4

- 10. The District had sufficient funds in its overall technology budget to cover the District Share for its E-Rate Program supported services, including the service ultimately obtained from Achieve.
- 11. Again, Achieve was the only vendor to submit a bid or proposal in response to our RFP.
- 12. The District obtained, prepared and filed its own application with USDLA for a grant. Achieve was not involved in any way in the grant application process. District personnel dealt directly with USDLA personnel in completing the necessary forms to apply for the grant. USDLA never indicated in any way that it was affiliated with or in partnership with Achieve.
- 13. Any partnership or affiliation between Achieve and USDLA, if any existed, existed without the knowledge of the District, and the District was unaware of any impact of such partnership or affiliation on the price of Achieve's services in its proposal, if any.

I declare under penalty of perjury that the foregoing is true and correct.

Anne Thompson